

Memo

To: Jerene Watson, Deputy City Manager
From: Barney Helmick, Airport Director
cc: Heidi Hansen, Economic Vitality Director
Date: June 15, 2015
Re: Airport Master Planning and Strategic Initiatives

In an effort to prepare the Flagstaff Airport to meet the needs of the community, in the near and impending future, staff is creating a plan to assess and address the needs of our Airport. The current growth rate of commercial air service exceeds the capacity of the facility, and our maintenance and staffing. This memorandum is designed to provide the City Council with an understanding of the upcoming actions and resources that will be needed to accomplish airport improvements. The Economic Vitality Division of the City of Flagstaff has been working to attract either a second carrier with a new route or encourage the existing carrier in developing a second destination. To help us with these efforts, the Flagstaff Airport is at a point where decisions about the future will need to be made and an overall plan once created needs to be implemented so we can continue to address public concern and airline needs.

AIRPORT PLANNING

The Flagstaff Airport has begun a Sustainability Master Plan, funded by the FAA to reduce the environmental footprint. This project will identify green initiatives, utility savings and possible methods to complete these projects. In the next year, the airport will also hire consultants to update the Master Plan for the airport. It is the goal to identify projects to meet the short and long term needs of the airport. There will be both stakeholder and public involvement which allow the projects to be shared with our citizens and airport users. Following are some key areas that are having an immediate impact and will be part of our plan for the airport.

AIRPORT PARKING

The most critical area impacting the airport is Airport Parking. Parking at the airport is at a premium. During the peak season in Flagstaff, the airport parking lot is completely full. This is an even larger issue when you factor in the efforts to add a second airline or additional destinations which would increase the number of passengers who will need parking. Currently, there are 371 parking spots in the terminal parking lot. The last Master Plan (dated October 2007) predicted the current parking would handle up to 100,000 annual enplanements. There were 68,254 enplanements in 2015 and most of the peak season our lot was over capacity. Important to note, approximately 40 of the parking spaces are utilized by employees working in the terminal. Funding through the FAA for a parking lot can be requested but must be for non-revenue parking however; FAA does not fund parking structures. The current parking lot was initially funded by FAA and therefore the city cannot collect revenue on it until after 2017, after this date the city could charge for the existing parking lot.

Below are five parking options we have available from the Master Plan and through a city study.

Option 1 is to do nothing and continue with our current 371 spots. This option will reduce the potential for passenger growth. This could prevent a second carrier from coming to Flagstaff or even give the current carrier reason to reduce the service we currently offer.

Option 2 is the Master Plan's recommendation to build a two story parking garage. This would increase parking to approximately 606 spaces at a cost of \$8 million (at the 2007 price). The additional 235 spots are predicted to support up to 100,000 enplanements. A three story garage increasing parking to 841 spots (estimated cost of \$10 million) would support traffic levels closer to 150,000 enplanements. It would provide for covered parking on the first floors, but the downfall would be that snow removal would be difficult for the top floor. Most likely, we would also need a snow melter and specialized equipment to work on the upper level around the parked vehicles. However, this option would have to be funded with City funds only or another funding source other than FAA since again they do not fund parking structures.

Option 3 came from the City study performed in July 2008 which proposed to increase the parking lot by 56 spots at a cost of \$515,060, or up to an additional 114 spots at a cost of \$935,000. This is the least costly of the options, but also just a short term fix. The additional spots would probably handle a 25% increase in passenger traffic. This last year the Airport experienced a 22% increase in enplanements.

Option 4 is to look at the land to the east/northeast (Parcel 116-61-009) of the existing parking lot that could be added to the existing lot. In the existing lot, 122,430 sq. ft. is parking space and additional 127,652 sq. ft. is landscaping, a drainage ditch, and basin. Along with the additional land, if the current lot (which is seeing considerable asphalt failure) was leveled and arranged to maximize the ground available, an additional 400-500 spots could be added. This increase could handle up to 200,000 enplanements. This project would require a partial realignment of Pulliam drive to add the additional land. The cost would be approximately \$5.5 million for the parking lot changes and the realignment. This project would use land that could possible leased for business usage.

Option 5 would be a phased approach of Option 3 with preparation put into place for the ability in the future to expand up with a garage. There has not been a financial plan put together on this option, but by taking a phased approach the costs could be spread over several years. Each ground phase would increase the existing parking by one third increments. A reduction of landscaping and the covering of open drainage would allow a more uniform lot and increasing the amount of spaces. In this option the parking area would be enclosed by an exterior wall allowing controlled access and the installation of an automated access system. This option could not be charged until 2017 due to FAA. This system could either be managed by a contract company or by the City of Flagstaff. The cost could be offset with funds raised by the access system over a period of years. Additional equipment and staffing would be necessary to provide for snow removal.

TERMINAL MAINTENANCE

The second area of concern is the Airport Terminal Maintenance. Airport maintenance has consisted of routine work for years, but much of the facility is aging. The terminal and most of the other buildings on the airport are 20 plus years old and are beginning to require more than routine maintenance. Pavement conditions are slated to be improved soon. City Staff will acquire a grant to overlay the runway and the taxiway. Ramp areas have recently been upgraded. Pulliam Drive is scheduled for replacement in the Streets Bond Program. Major repairs and ongoing maintenance is not currently in the annual budgets.

The aircraft storage units structurally are solid, but the winters have caused damage to the roofs producing leaks. The Department of Public Safety Building will be fitted with new windows and electrical upgrades. The building that the Wild Land Fire Crew resides in was the original terminal building and has had no maintenance. If the number of passengers and flights increase the current terminal building will require expansion or replacement to meet the needs and requirements.

Even though the asphalt at the airport will be brought up to standard, there will be annual work that needs to be addressed ongoing and that is unfunded in the budget. The runway, taxiway and ramps have paint markings that have faded beyond FAA standards. This painting has been funded in the past by ADOT Aeronautics grants which are no longer available. Without this update, the FAA could either fine the airport or remove the Certificate of Operation for Commercial Air Service.

AIRPORT STAFFING